PERSONAL AND CONFIDENTIAL

SECRETARY OF STATE FOR ENERGY
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Andrew Turnbull Esq
Private Secretary to the
Prime Minister
10 Downing Street
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12 September 1984

Dear Andrew

When Mr MacGregor called on my Secretary of State this morning he handed over a folder of various papers tabled by both sides in the last two days of negotiations. My Secretary of State thought the Prime Minister would wish to see these. The top paper - marked X for ease of reference - is the alternative to clause 3C which the Coal Board put on the table yesterday afternoon. Immediately below it - marked Y - is the counter version which the NUM proposed 1½ hours later.

Yours sincerely

M F REIDY
Private Secretary

PERSONAL AND CONFIDENTIAL

Presented by NCB
11/9/84

Amended Clause 3(c)

It is agreed that pits may be closed for reasons other than exhaustion or safety. Included in this category and deemed to be exhausted are pits where a report of an examination by the respective NCB and NUM qualified mining engineers does not provide the NCB with a basis for continued operations which constitute a responsible use of human or financial resources.

'X'

Presented by NUM
11/9/84

NATIONAL UNION OF MINEWORKERS

AMENDED CLAUSE 3(C)

It is agreed that since the advent of Plan for Coal there have been closures which do not fall within the definitions contained in (A) and (B) above, and in accordance with the Plan, this procedure will continue to apply.

Included in this category and deemed to be exhausted are pits where a report of an examination by the respective NCB and NUM mining engineers shows there are no further mineable reserves and does not provide a basis for continued operations.

'Y'

Tuesday, 11 September, 1984

Presented by NUM
9 am 11/9/84

Following Mr. MacGregor's indication that he would be prepared to withdraw the word "beneficially" from Category 3(C), provided an explanatory note could be appended, the National Union of Mineworkers proposes the attached formulation.

[redacted] - CLAUSE 3(C)

The parties reaffirm their commitment to Plan for Coal. It is acknowledged that there is no new policy or programme regarding pit closures.

Since the advent of Plan for Coal, there have been closures which do not fall within the definitions contained in Clause 3 (A) and 3 (B), and the procedures in operation regarding pit closures prior to the dispute will continue to apply in line with Plan for Coal.

Collieries have been closed for reasons other than exhaustion or severe geological difficulties, i.e. safety, and Clause 3(C) is intended to cover such circumstances.

Tuesday, 11 September, 1984

NATIONAL UNION OF MINEWORKERS AND NATIONAL COAL BOARD

JOINT AGREED NOTE - CLAUSE 3(C)

The parties reaffirm their commitment to Plan for Coal, confirming that there is no new policy or programme regarding pit closures and that procedures in line with Plan For Coal continue to apply.

Since the advent of Plan For Coal, there have been closures which do not fall within the definitions contained in Clause 3(A) and 3(B). In addition to closures which occur under 3(A) and 3(B), it is accepted that there may be a small parcel of coal in a colliery which could not be worked or developed.

Collieries have been closed for reasons other than exhaustion or severe geological difficulties, i.e. safety, and Clause 3(C) is intended to cover such circumstances.

Monday, 10 September, 1984

Presented by NUM
8.15 pm 10/9/84

Following Mr. MacGregor's indication that he would be prepared to withdraw the word "beneficially" from Category 3(C), provided an explanatory note could be appended, the National Union of Mineworkers proposes the attached formulation.

Monday, 10 September, 1984

Presented by NUM
5.10pm 10/9/84

acceptable to the NCB

Following Mr. MacGregor's indication that he would be prepared to withdraw the word "beneficially" from Category 3(C), provided an explanatory note could be appended, the National Union of Mineworkers proposes the attached formulation.

Monday, 10 September, 1984

NOTE

Definition of a colliery exhausted in accordance with Category 3(C) would be:-

Where a colliery containing a small parcel of coal only (sufficient for a few months' life) requires extensive development over many months and the transfer of the workforce to another colliery in the interim period, such a colliery will be deemed exhausted.

Monday, 10 September, 1984

Presented by NCB
10/9/84

Plan for Coal recognised that, "inevitably, some pits will have to close as their useful economic reserves of coal are depleted".

The parties reaffirm their commitment to the principles of Plan for Coal. It is acknowledged that there is no new policy or programme regarding pit closures.

Since the advent of Plan for Coal there have been closures which do not fall within the definitions contained in Clause 3(a) and 3(b) and the procedures hitherto practised before the dispute with regard to such pit closures will continue to apply.

Collieries have been closed for reasons other than exhaustion or severe geological difficulties, i.e. safety, and Clause 3(c) as set out in the NCB's Discussion Document is intended to cover such circumstances.

Presented by NCB
10/9/84

In an effort to resolve this serious and long running dispute, the Coal Board's consistent attitude has been that we would always be willing to consider any constructive alternative effort to meet the Coal Board's needs with regard to Paragraph 3(c).

I am afraid that we cannot see how your revised joint agreed note advances the situation. Certainly it is not a substitute to the inclusion of the word 'beneficial' in Paragraph 3(c).

Our attempt at a joint agreed note was to clarify the construction which the Board placed on 3(c) in order to help you in your acceptance of that category.

Your addition offers no clarification for the third paragraph. If we are to make progress, bearing in mind the movement that the Board has already made to you in the earlier paragraphs of the discussion document, then we must expect you to move towards a definition of a third category which would cover a wider generality than the form of presentation that you repeatedly make.

I repeat, it is the Board's intention to try to persuade you that we wish to resume the previous practice of colliery closures within the Review Procedure. If you can meet us to clarify that, it would be helpful.

Footnote to Paragraph 3

In addition to closures which occur under paragraph 3(a) and 3(b) above, the NUM accept that there are certain deposits of coal which couldn't be feasibly worked. [However, the NUM do not accept the inclusion of the word "beneficially" in paragraph 3(c) as a means of defining such collieries.]

The NCB having responsibility for the efficient operation of the industry will make production decisions regarding collieries taking into account the interests of employees, customers and the community as a whole following the recognised consultative procedures.

Presented by NCB
10/9/84

In addition to closures which occur under Paragraph 3(a) and (b) above, the NUM accept that there are reserves of coal in some collieries which should not be worked and may lead to closure.

However, it is understood that the NUM find Clause 3(c), as worded, unacceptable in the belief that it implies a new policy and programme by the Board with regard to uneconomic capacity.

The National Coal Board assert that such construction is not the sense intended by the NCB.

The Board has declared on a number of occasions that there is no new policy or programme with regard to uneconomic capacity. The industry, since the advent of the Plan for Coal, has experienced many closures which could not be categorised as on account of exhaustion or for safety reasons. It has been the practice to close pits for other reasons accepted by the Unions. Clause 3(c), as written, is intended to cover such circumstances.

Presented by NCB

10/9/84

Draft Agreed Note to NCB Discussion Paper

In addition to closures which occur under Paragraph 3(a) and (b) above, it is agreed that there are reserves of coal in some collieries which should not be worked and may lead to closure.

However, it is understood that the NUM find Clause 3(c), as worded, unacceptable in the belief that it implies a new policy and programme by the Board with regard to uneconomic capacity.

The National Coal Board assert that such construction is not the sense intended by the NCB.

It is accepted that there is no new policy or programme with regard to uneconomic capacity. The industry, since the advent of the Plan for Coal, has experienced many closures which could not be categorised as on account of exhaustion or for safety reasons. It has been the practice to close pits for other reasons accepted by the Unions. Clause 3(c), as written, is intended to cover such circumstances.

NCB PROPOSED DISCUSSION DOCUMENT 18.7.84

The NCB and the NUM have examined the current situation, in an effort to resolve the present dispute and provide a basis for the future of a sound industry.

1. On March 6th the NCB put forward proposals designed to influence the prospects of the industry and to equate production with market requirements. There have been losses of output resulting from the dispute and changes in the needs of the market. In the light of the changed circumstances the Board will re-examine the proposals for the industry and revise the objectives for the individual Areas.

2. The following collieries referred to specifically by the NUM - namely

(a) Polmaise

(b) Herrington

(c) Cortonwood

(d) Bullcliffe Wood

(e) Snowdown

will continue in operation. Any future decisions relating to these (and other collieries) will be dealt with in accordance with the guidelines under section 3 below.

3. In order to establish more clearly the parameters in respect of exhaustion of reserves - in line with the principles of the Plan for Coal - it is agreed that in the future the following categories and procedures will apply:-

(a) Collieries which are exhausted in line with the principles set out in the Plan for Coal will be closed by joint agreement.

(b) Collieries facing severe geological difficulties, i.e. safety, again in line with the principles of the Plan for Coal, will be closed by joint agreement.

(c) The NCB and NUM agree that where a comprehensive and in-depth investigation by their respective mining engineers shows that a colliery has no further mineable reserves that are workable and which can be beneficially developed, such a colliery shall be deemed exhausted.

4. On the basis of the above arrangements the Board and the Unions will jointly discuss the Plan for Coal and any proposed revision. It is agreed that these discussions will seek to identify the basis for jointly establishing a developing and expanding coal industry equipped to meet future energy requirements.

Cover file.
Hand to PM 11/9 by
David Hunt

It is agreed that pits may be closed for reasons other than exhaustion or safety. Included in this category and deemed to be exhausted are pits where a report of examination by the respective NCB and NUM engineers does not provide the NCB with a basis for continued operations which constitute a responsible use of human and financial resources.